



M0370006
TASK 2004
dc1 Tom 0001
Denison Mines (USA) Corp.
1050 17th Street, Suite 950
Denver, CO 80265
USA

Tel : 303 628-7798
Fax : 303 389-4125

www.denisonmines.com

January 22, 2009

Mr. Paul Baker
Utah Division of Oil Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Re: Rim Columbus Inspection Report Response (M/037/0006)

Dear Mr. Baker:

Denison Mines (USA) Corp. received your inspection report dated August 5, 2008 (inspection conducted on July 30, 2008) on August 22, 2008. Your report identified the following conclusions and recommendations:

1. Buildings: the operator should provide an updated map showing all surface facilities and an updated cost estimate for the building removal at the Humbug. In addition, the Operator should paint the buildings a dark tan.
2. The operator should update maps to include the borehole in the disturbed area.
3. The operator needs to clean up the concrete that was placed down the side of the waste rock pile.
4. Ditches at the shaft should be modified so runoff would flow into the pond below the waste rock pile.
5. Update maps to show revised disturbed areas reflecting use of the pads, the borehole near the Columbus mine, and any other new disturbances.

The Operator's response to each is below:

1. An updated map has been provided as Figure 1 in Attachment A. This map shows the additional building. Attachment B contains photographic documentation of the buildings and the Rim and Columbus portals and their painted tan color. Attachment C contains a cost increase for the building removal at the Humbug Portal and the closure of the power drop hole.
2. Updated Maps are provided in Attachment A, Figures 1 and 2.
3. Photographic documentation showing the removed concrete at the Humbug portal is provided in Attachment B.
4. Photographic documentation showing the repaired ditches and the pond below the waste rock pile is provided in Attachment B.
5. Updated maps are provided in Attachment A.

Please let me know if you have any questions or concerns. I can be reached at 303.389.4136.

Yours very truly,

DENISON MINES (USA) CORP.

A handwritten signature in cursive script that reads "Christy Woodward".

Christy Woodward, PE
Environmental Coordinator

RECEIVED

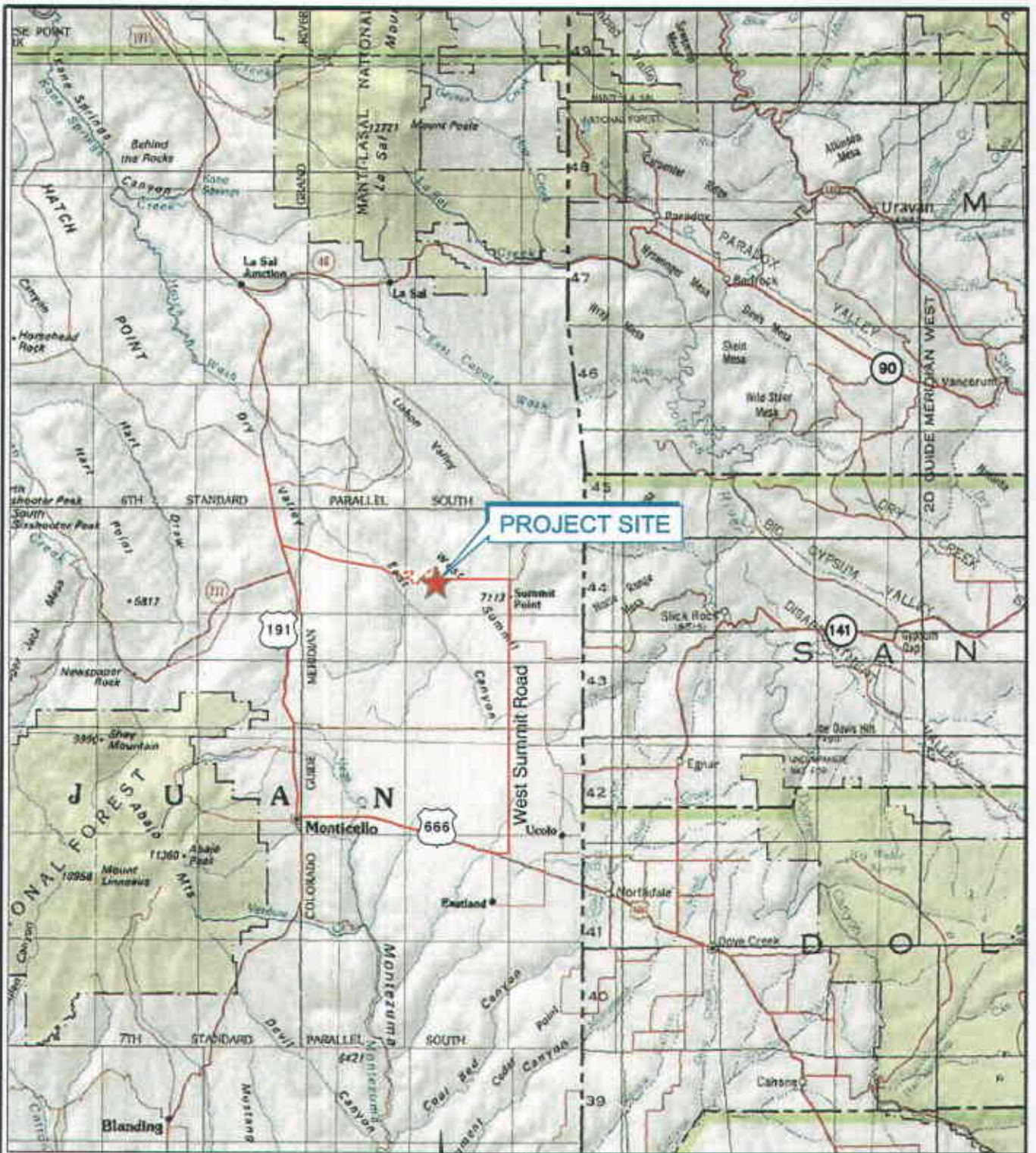
JAN 26 2009

DIV. OF OIL, GAS & MINING

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**ATTACHMENT A
UPDATED FIGURES**

S:\Project\005A\04214.002 CAD\GIS support\Utah\Rim\Fig1_Site Location Rim Mine Quad.dwg 01/13/2009 deborah ford DN



LEGEND



PROJECT LOCATION



SCALE: 1" = 8 Miles



Project

RIM MINE PROPERTY

County: San Juan

State: Utah

Location: Section 29 T31S, R 25E

DSGN: -

DRW: DMF

DATE: 01/13/2009

REVISION:

FIGURE 1
PROJECT LOCATION MAP

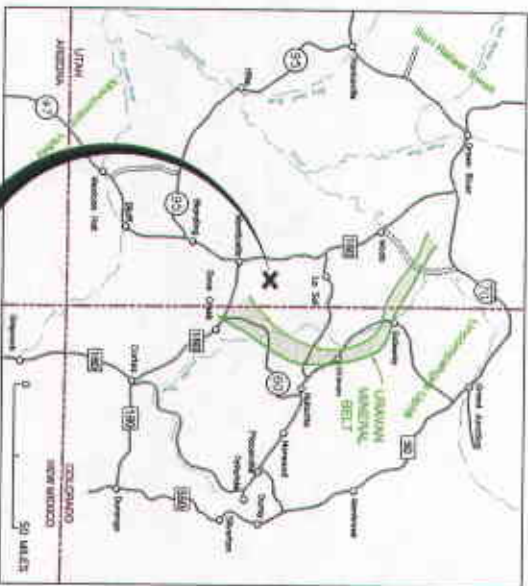


TETRA TECH

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PROPERTY

COLUMBUS PORTAL

0.1 Acres

0.1 Acres

VENT HOLE
20 INCH

12.1 Acres

RIM SHAFT

CRESSLER LEAD
(M & S)

2.7 Acres

HUMBUG PORTAL

Total Disturbed Acreage Table

Humbug Portal	2.7 ac
Rim Shaft	12.1 ac
Columbus Portal	0.1 ac
Power Drop	0.1 ac
Total	15 ac

LEGEND

- DISTURBED AREA
- CONTROL POINT
- VENT HOLE
- BUILDINGS
- INTERMITTENT STREAM
- EXISTING GRAVEL ROADS
- EXISTING DIRT ROADS
- CLAIMS

SCALE IN FEET

Utah State Plane Coordinate System
South Zone, NAD 83

Contour Interval = 5 foot

Denison Mines (USA) Corp.



Project: RIM MINE PROPERTY

County: San Juan State: Utah

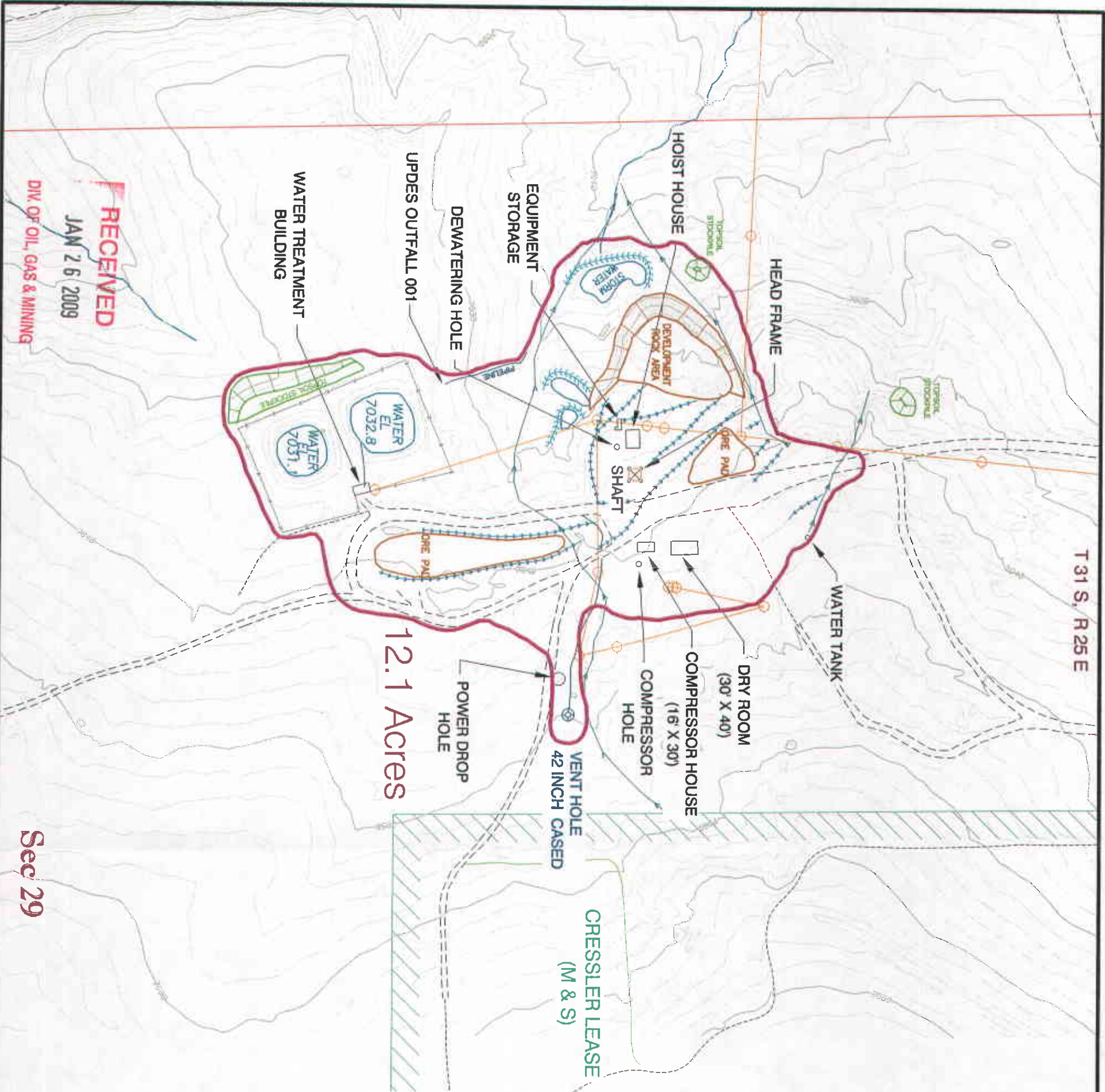
Location: Sections 29 & 30, T 31 S, R 25 E

Figure 2

RIM SHAFT, HUMBUG PORTAL
AND COLUMBUS PORTAL M/037/006

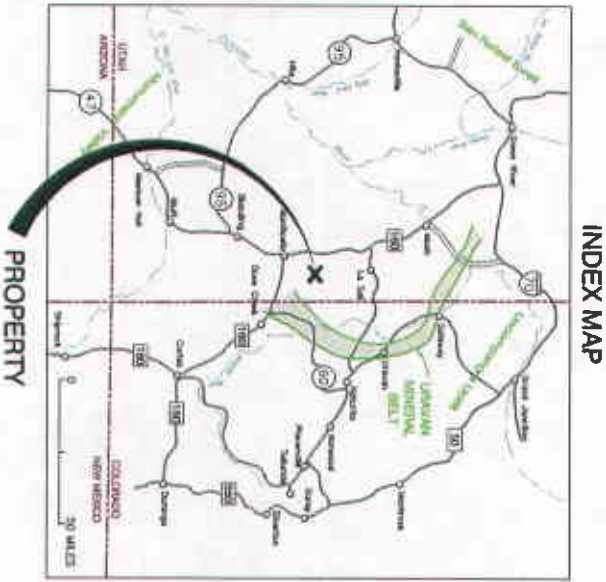
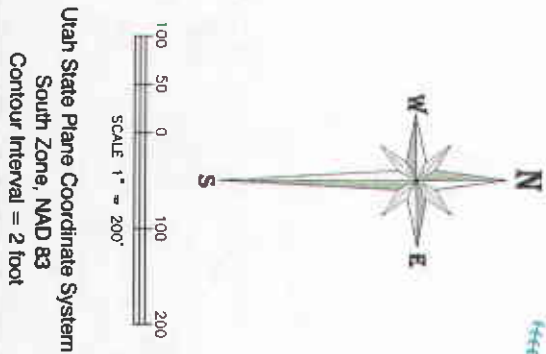
Author: CMW

Drawn by: Sheld



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Sec 29

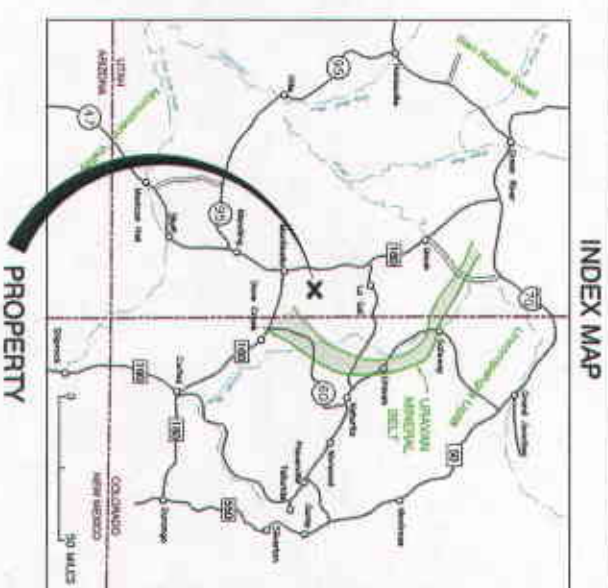
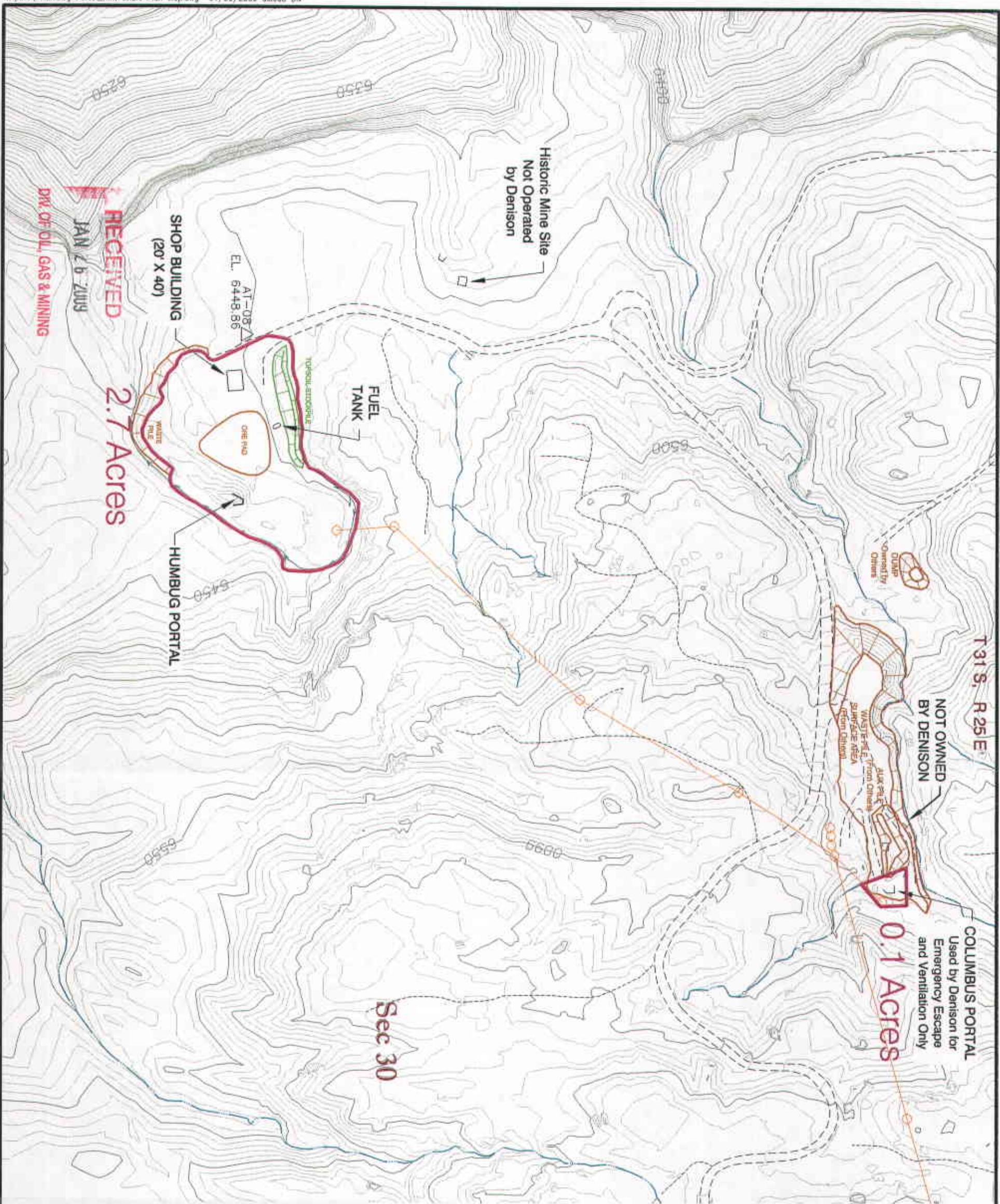



LEGEND

- PREVIOUS IMPACT AREA / AREA TO BE RECLAIMED
- EXISTING GRAVEL ROADS
- EXISTING DIRT ROADS
- BUILDINGS
- POWER POLE
- FENCE
- MAJOR CONTOUR
- MINOR CONTOUR
- DIVERSION DITCH
- WATERBARS
- CATCH PONDS

TOTAL AREA RIM SHAFT = 12.1 ACRES

Denison Mines (USA) Corp.				DENISON MINES	
REVISIONS		Project:	RIM-COLUMBUS MINE PROPERTY		
Date	By	County:	San Juan	State:	Utah
12/31/08	DLS	Location:	Section 29, T 31 S, R 25 E		
				Figure 3	
				RIM SHAFT	
				SURFACE FACILITIES MAP M/037/006	
		Author:	CW	Drawn By:	Stodd



DENISON MINES (USA) Corp.				
REVISIONS		Project		
Date	By	County: San Juan	State: Utah	
		Location:	Section 30, T 31 S., R 25 E	
		Figure 4		
		HUMBUG PORTAL		
		SURFACE FACILITIES MAP M/037/006		
Author: C/W		Drawn By: Speed		

**ATTACHMENT B
PHOTOGRAPHIC DOCUMENTATION**

Denison Mines (USA) Corp.
Rim/Columbus Photographic Log
October 27, 2008

Photo 1:
Photograph
of temporary
sediment
pond at the
toe of the
Rim waste
rock area.



Photo 2:
Photograph
of ditch at toe
of waste rock
area. Ditch
leads to
temporary
sediment
pond.



**Denison Mines (USA) Corp.
Rim/Columbus Photographic Log
October 27, 2008**

Photo 3:
Photo of two
newly
painted
buildings at
the Rim
Shaft.
Buildings are
on existing
foundations
and included
in bond
estimate.



Photo 4:
Photo of the
two new
buildings at
the Rim
Shaft.



Denison Mines (USA) Corp.
Rim/Columbus Photographic Log
October 27, 2008

Photo 5:
Picture of
newly
painted
building at
the Humbug
Portal.



Photo 6:
Area where
concrete was
previously
poured.



**Denison Mines (USA) Corp.
Rim/Columbus Photographic Log
October 27, 2008**

Photo 7:
Area where
concrete was
previously
poured.



Photo 8:
Broken up
concrete
from waste
rock area.



**Denison Mines (USA) Corp.
Rim/Columbus Photographic Log
October 27, 2008**

Photo 9:
Broken up
concrete
from waste
rock area.



Photo 10:
Top of waste
rock area
where
concrete was
previously
poured.



Denison Mines (USA) Corp.
Rim/Columbus Photographic Log
October 27, 2008

Photo 11:
Waste rock
area where
concrete was
previously
poured and
has been
removed.



**ATTACHMENT C
UPDATED COST ESTIMATE**

Rim Bond Increase

Building/Structure Demolition								
Building/Structure	Length	Width	As-Built Area	Height	Volume	Building Leveling Cost	On-Site Disposal Unit Cost ^(a)	Estimated Cost ^(b)
	(ft)	(ft)	(sq.ft)	(ft)	(cy)	(\$/building)	(\$/cy)	(\$)
Maintenance Building	40	20	800	12	355.56	\$5,000	\$7.75	\$5,919

Concrete Pads, Foundations and Walls								
Building/Structure	Length	Width	As-Built Area	Pad Thickness	Volume	Break Concrete Unit Cost	On-Site Disposal Unit Cost	Estimated Cost ^(c)
	(ft)	(ft)	(sq.ft)	(in)	(cy)	(\$/cy)	(\$/cy)	(\$)
Maintenance Building	40	20	800	6	14.8	\$118.00	\$7.75	\$1,855

Power Drop Reclamation		
Building/Structure	Task Hours	Direct Cost
Power Drop Sealing ^(e) Replace topsoil on pad, rip compaction and revegetation ^(e)	2	\$200

Item	Cost Estimate
Building/Structure Demolition	\$5,919
Concrete Pads, Foundations and Walls	\$1,855
Power Drop Reclamation	\$200
Subtotal	\$7,974
Contingency (10%)	\$8,771
Escalation, 5 years ^(d)	\$14,694
Existing Reclamation Cost	\$74,200
Total for Site Reclamation	\$88,894

Notes:

- (a) The volume of demolished materials was estimated to be 1/3 of the intact, in place volume of the building or structure.
- (b) The estimated cost includes building leveling and on-site disposal costs.
- (c) The estimated cost includes concrete break-up and on-site disposal costs.
- (d) Based on an escalation rate of 3.5%
- (e) Estimate is based on typical industry knowledge.

Building Leveling Cost:

Building leveling charges: \$5,000 per building

Quote from: Kirk, Jackson, Jackson Excavation (435.691.8927)

Quote provided 5-16-2008

Add for disposal, on site = Crew B-11A, 232 cy/day, \$7.75

Section 03055 110 Selective Concrete Demolition (pg. 136):

0060: Break up into small pieces, Average reinforcing

= Crew B-9, 16 cy/day, \$118.00/cy

Section 02220 130 Bldg. Footings and Foundations Demolition (pg. 25)

4200: Add for disposal, on site

= Crew B-11A, 232 cy/day, \$7.75/cy

Primary Reference: 2006 RS Means Heavy Construction Cost Data, 20th Annual Edition, Kingston, MA.